



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

December 7, 2009

James Laage, Quality Assurance Manager
Technical Heaters, Inc.
710 Jessie Street
San Fernando, CA 91340

Dear Mr. Laage:

RE: FINAL MONITORING VISIT REPORT – Technical Heaters, Inc. - ET09-0514

| | |
|-------------------------------|---|
| Date of the Visit: | 12/02/09 |
| Beginning/Ending Time: | 11:00 a.m. – 1:15 p.m. |
| Date of Last Visit: | 05/18/09 |
| Visit Location: | San Fernando |
| Persons in attendance: | James Laage, Quality Assurance Manager, Technical Heaters Lan Vuong, ETP Project Analyst |
| Action Required: | No |

CONTRACT INFORMATION:

| | | | |
|---|---------------------|--------------------------|----------|
| Term of Agreement: | 04/06/09 – 04/05/10 | Agreement Amount: | \$20,280 |
| Training Start Date | 04/13/09 | No. to Retain: | 13 |
| Date Training must be completed: | 01/04/10 | Range of Hours: | 8 – 60 |
| Type of Trainee: | Retrainee | Weighted Average: | 60 |

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FINAL REPORT SUMMARY

- **HISTORY OF AGREEMENT CHANGES**

The Agreement was executed on April 17, 2009, and training began on April 13, 2009. Mr. Laage reported that all training was completed on June 23, 2009, which allowed for the 90-day retention period to be completed within the term ending date of the Agreement – April 5, 2010.

- **FINAL PROJECT STATISTICS**

Your Agreement contains a variable reimbursement training plan, which means that reimbursement will be based on the total actual number of training hours completed by each trainee between 8 and 60 training hours. There will be no reimbursement for any trainee who does not complete a minimum of 8 hours of training from the approved curriculum.

According to Mr. Laage, of the 13 trainees specified on Chart 1, Exhibit A of the Agreement, 13 trainees completed training and the 90-day retention period. The ETP Class/Lab Tracking Report shows that you have delivered 700 class/lab training hours for 13 trainees who meet the minimum hours. This resulted in a completion rate of 100 percent of the number of trainees and approximate earnings of \$18,200 which is 90 percent of the Agreement amount.

To date, your company has received \$5,070 in progress payments; therefore you will receive an additional \$13,130, if the anticipated number to retain is verified during the final fiscal closeout. Mr. Laage informed the Analyst that he will submit the final contract closeout invoice and associated documents to ETP on or before the close of business on January 14, 2010.

- **INTERVIEW WITH CONTRACTOR'S REPRESENTATIVE**

Mr. Laage reported that the company was not able to provide all the training originally intended in this Agreement because employees left the company before completing the maximum of 60 training hours and the 90-day retention period.

Mr. Laage reported that although Technical Heaters did not earn 100 percent of the available funds, the training provided to the trainees in Continuous Improvement, Business Skills, and Manufacturing Skills was very beneficial and practical to their jobs. The trainees benefited from training in a variety of ways including improved efficiencies, made less error, and have a better understanding of each position and its process. Mr. Laage also stated that ETP training funds made it easy for the company to move forward with training.

He further stated that he did not experience any problem with ETP record keeping and that ETP staff was very helpful in providing assistance in the administration of this project.

PROJECT STATUS PROVIDED BY THE CONTRACTOR:

| | | | |
|---|----|----------------------|----|
| Trainees Started Training: | 13 | Completed Training: | 13 |
| Trainees Enrolled: | 13 | In Retention Period: | 0 |
| Dropped Following Enrollment: | 0 | Completed Retention | 13 |
| Completed Minimum Required Hours for reimbursement: | 13 | | |

The project statistics provided by you matches those listed on the ETP Contract Status Report.

TRAINING RECORDS

Ms. Vuong conducted a random sampling of six trainees who completed training and retention. Records reviewed validated the completion of the training hours required in this Agreement. Records show that these trainees completed between 8 and 60 total training hours and the completed hours matches those posted on the ETP Online Tracking System. Records reviewed confirmed that the Agreement curriculum was provided as specified and the ratio of trainer to trainee delineated in the Agreement training plan was adhered to.

The above findings are based only on the training records reviewed during this visit and represent only a sample of the training records completed to date. Therefore, it is your responsibility to ensure that all training records comply with Panel requirements for auditing purposes. (Reference: Title 22 California Code of Regulations, Section 4442)

AUDIT

Your company will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk review. These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit Confirmation letters.

To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

Please contact Lan Vuong within ten (10) working days at (818) 755-1306 or by email at lvuong@etp.ca.gov if you have any questions or comments.

Sincerely,

Signature on file

Wally Aguilar, Program Manager
North Hollywood Regional Office

Signature on file

Lan Vuong, Project Analyst
North Hollywood Regional Office

cc: David Guzman, Chief, Audits & Program Operations Division, ETP (via email)
Kulbir Mayall, Manager, Fiscal and Certification, ETP (via email)

Master File
Project file

Date report mailed to Contractor 12/7/09